

**STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
OFFICE OF FINANCIAL AND INSURANCE REGULATION**

**Before the Commissioner of the Office of Financial and Insurance Regulation**

In the Matter of:

**Joseph M. Walsh  
System ID No. 0229665**

**Enforcement Case No. 10-7613**

Respondent  
\_\_\_\_\_/

Issued and entered  
on 1-30, 2011  
by Annette E. Flood  
Chief Deputy Commissioner

**CONSENT ORDER AND STIPULATION**

**FINDINGS OF FACTS AND CONCLUSIONS OF LAW**

1. Respondent Joseph M. Walsh (hereafter "Respondent") is a licensed non-resident producer in the State of Michigan with qualification and authorization to transact business, selling, soliciting and/or negotiating life and accident and health insurance under Chapter 12 of the Michigan Insurance Code of 1956 (Code), as amended, MCL 500.1200 *et seq.*, System ID 0229665. Respondent has been licensed since June 12, 2000.
2. On or about February 10, 2010, the Office of Financial and Insurance Regulation (OFIR) received a copy of a "Notice of Opportunity For Hearing" ( hereafter "Notice" ) from the State of Ohio, Department of Insurance, stating that Respondent held a non-resident insurance license in that state and the Ohio Department of Insurance ("Department") on behalf of the Superintendent of Insurance ("Superintendent") conducted an investigation of the activities of Respondent and, as a result of that investigation, alleged that Respondent committed violations of the laws and regulation of the State of Ohio.
3. The "Notice" further states that in accordance with the laws and regulation of the State of Ohio, the Superintendent intended to suspend, revoke or refuse to renew Respondent's license as an insurance agent in the State of Ohio and /or impose any other civil forfeiture or penalty, including administrative costs authorized by its laws and regulations.
4. On or about February 10, 2010, OFIR also received a copy of a "FINDINGS, ORDER AND JOURNAL ENTRY" (ORDER) from the State of Ohio, Department of Insurance, stating among other things:

On January 10, 2006, after conducting an investigation, the Superintendent ("Superintendent") of Insurance issued and mailed a Notice of Opportunity ("Notice") to Walsh. The Notice was served on Walsh by certified mail on January 12, 2006. More than thirty days have elapsed from the date of mailing of the Notice. Walsh has not requested a hearing. After reviewing the Department of Insurance's records of Walsh activities, with particular attention paid to the falsification and/or forgery of an insurance application and considering the factors set forth in section 3905.14(E) of the revised Code, the Superintendent finds that:

1. Walsh is currently licensed in this state as an insurance agent.
  2. In 2002, Walsh submitted an application to Western Southern Life Insurance Company ("Western Southern") when he knew or should have known that it contained a forged signature. Pursuant to section 3905.14 (B)(9) of the Revised Code, the Superintendent may revoke an agent's license for engaging in fraudulent or dishonest practices or demonstrating incompetence or untrustworthiness in the conduct of business in this state or elsewhere. IT IS THEREFORE ORDERED THAT Walsh's license as an insurance agent in the State of Ohio be and hereby is revoked pursuant to the authority granted in section 3905.14 (D) of the revised Code. The revocation shall be effective immediately. The Order is hereby entered in the Journal of the Ohio Department of Insurance.
5. Respondent knew or should have known that under Section 1239(1) of the Code, MCL 500.1239(1) that the Commissioner may place on probation, suspend, or revoke an insurance producer's license or may levy a civil fine under section 1244 or any combination of actions, and the commissioner shall refuse to issue a license under section 1205 or 1206a, for any 1 or more of the following causes:

\*\*\*

(b) Violating any insurance laws or violating any regulation, subpoena, or order of the commissioner or of another state's insurance commissioner.

6. Respondent cooperated fully with OFIR staff, and he provided the following credible information:

My Ohio license was revoked after I had terminated it via letter to the Ohio Dept of Insurance. I did not respond to the notice as I was no longer doing business in Ohio and thought that because the cancellation had been sent that the matter was closed.

I did take an application from NT, the premium for which was to be deducted via payroll from his wife's paycheck. When I took the application, Mrs. T. told me this was her husband. I took the application. After the policy was issued and premium remitted, Mrs. T. wanted to cancel and get a refund. I cancelled the plan, but was not able to get a


refund. I thought the matter was settled when Mr. T. filed a complaint that he didn't sign the application. I could not prove it was Mr. T. that I met with at Mrs. T's place of employment. To avoid revocation of my license, I agreed to the Stip and Consent which I sent copies of to the State of Michigan in July 2005.

7. Additionally, Respondent provided proof that his license is currently in good standing in Illinois and was not revoked. Based on this information, Respondent's cooperation, and his credible response to the OFIR administrative complaint, revocation of license is not appropriate. However, Respondent's conduct does warrant sanction.
8. By violating the insurance laws of another state's insurance commissioner, Respondent is subject to discipline pursuant to MCL 1239(1)(b).
9. Based upon the documents reviewed, Respondent has failed to uphold the standards under the Insurance Code, and has committed acts that are grounds for licensing sanctions and/or civil fines under Sections 1239 and 1244 of the Code.

#### **ORDER**

Based on Respondent's stipulation to the findings of fact and conclusions of law above, it is hereby **ORDERED** that:

1. Respondent shall immediately cease and desist from operating in a manner that violates the Michigan Insurance Code.
2. Respondent shall pay to the State of Michigan, through OFIR, a civil fine of \$500.00. Respondent shall pay the fines within 30 days of the invoice date indicated on the OFIR invoice.

  
Annette E. Flood  
Chief Deputy Commissioner

#### **STIPULATION**


Respondent has read and understands the consent order above. Respondent agrees that the Chief Deputy Commissioner has jurisdiction and authority to issue this consent order pursuant to the Insurance Code. Respondent waives his right to a hearing in this matter if this consent order is issued. Respondent understands that this stipulation and consent order will be presented to the Chief Deputy Commissioner for approval and the Chief Deputy Commissioner may or may not issue this consent order. Respondent waives any objection to the Commissioner deciding this case following a hearing in the event the consent order is not approved. Respondent admits the

findings of fact and conclusions of law set forth in the above consent order and agrees to the entry of this order. Respondent admits that both parties have complied with the procedural requirements of the Michigan Administrative Procedures Act (MAPA) and the Michigan Insurance Code (Code). Respondent has had an opportunity to review the Stipulation and Consent Order and have the same reviewed by legal counsel.

It is further stipulated, by and between the parties hereto, that failure to pay the administrative and civil fines as set forth above within thirty (30) days of the date of the invoice shall result in a suspension or continued suspension of all license or registrations held by Respondent, or in the denial of any license or registration renewal, and the denial of future applications for licensure or registration until compliance is made with the terms of this Stipulation. In addition, if Respondent fails to comply with the terms of this Stipulation and Consent Order, then the Fine shall increase to **\$1,000.00**. Unless otherwise specified in this Stipulation, requirements imposed on Respondent must be fulfilled in accordance with the terms of this Stipulation and Consent Order.

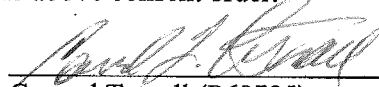
It is further stipulated, by and between the parties hereto, that failure to pay the administrative and civil fines as set forth above within (6) months of the invoice date shall result in a revocation or continued revocation of all licenses or registrations held by Respondent, or in the denial of any license or renewal and the denial of future applications for licensure or registration until compliance is made with the terms of this Stipulation.

Respondent understands and intends that by signing this Stipulation, Respondent is waiving his right, pursuant to the Code, the rules promulgated thereto, and the MAPA, to a hearing before an administrative law judge, at which the OFIR would be required to prove the charges set forth by presentation of evidence and legal authority and at which Respondent would be entitled to appear to cross-examine all witnesses presented by the OFIR and to present such testimony or other evidence or legal authority deemed appropriate as a defense to said charges.

  
\_\_\_\_\_  
Joseph M. Walsh

Dated: 01-10-2012

The Office of Financial and Insurance Regulation staff approves this stipulation and recommends that the Chief Deputy Commissioner issue the above consent order.

  
\_\_\_\_\_  
Conrad Tatnall (P69785)  
Attorney

Dated: 1/16/12